Sietel LIMITED

ACN 004 217 734 Incorporated in Victoria

Sietel Limited

Annual General Meeting of Shareholders

Held at the Company registered office commencing 12:00 pm Friday 20 January 2017

Chairman's Address

Shareholders, Ladies and Gentlemen

The Board of Directors and staff welcome you all to this year's Annual General Meeting.

I refer you to the Annual Report and more specifically the Directors' Report and Financial Accounts.

Rather than repeat the information already contained in the Annual Report I now limit my current comments to a few matters which I consider are of interest to shareholders.

The Operating profit before tax of $ 2,043,873 shows a 31% improvement over the previous year (2015 $1,550,594). As a result, income tax also increased from $185.055 (2015) to $300,024.

The Group's investment in all ASX shares if sold at 30 Sep 2016 would have resulted in a gain of $ 1,210,039 when compared with the original aggregate cost of this investment.(2015 break even) The impairment loss of $159,402 reflects the loss which would have been incurred on shares held where the value as calculated using the close of market sale price at 30 Sep 2016 is lower than the original cost or previously impaired book value at balance date before the current impairment.

Our manufacturing operating business Cook's Body Works continues to underperform but showed some improvement in a very competitive market environment especially for local producers of automotive accessories.

The recently acquired subsidiary Alliance Appliances Australia (80% owned since Aug.2014) has continued its design and development work and also entered into the Victorian hot water market and has incurred losses because sales were very limited during the period of product evaluation and testing prior to a full Australia wide market launch. This conservative approach has been followed to reduce the risk of any unforeseen field problems relating to the newly developed products.

The investment operations experienced a year of consolidation with market prices in the properties of interest to the group strengthening and leaving little opportunity for new acquisitions at what was considered by the board as good value.

The Directors valuation of all real-estate held be the Group at 30 September 2016 and associated estimate of the unrealized gain over book value is detailed in note 9 to the Financial Accounts.

The Group has expanded and increased its investment in unlisted investments with the objective of providing some exposure to relatively new businesses which it is believed can provide potential for above average returns as offered by larger and more established businesses. The Board appreciates the higher risk of failure associated with investment in this sector so has adopted a policy of limited quantum and a wide spread of businesses and industries

The listed ASX company share portfolio has been expanded via participation in dividend re-investment plans and modest purchases generally in existing top 200 listed companies.

The company's cash position remains strong and available for any investment opportunities if market conditions move against vendors in areas of interest to the group or if the new venture in the hot water appliance market provides scope for expansion.

We have not paid nor do we anticipate payment of an ordinary dividend this year. The Board continues to espouse their policy of retaining earnings for investment in assets and or businesses considered advantageous to maintenance of long term growth in shareholder value as reflected in share price and asset backing of the company's issued shares.

The policy of re investment of profits has been a major feature of the company for many years and although always subject to review and changes in light of the market place conditions, however is not on the agenda at present.

I would like to thank management and staff for their efforts over the past twelve months and look forward to continued steady growth over the coming years.

Mr Geoffrey L Rees
Chairman of Directors
Sietel Limited